

June 1, 2001

APPEAL OF CONSUMER ASSISTANCE  
DIVISION DECISION  
#2000-9401 Regarding Central Maine  
Power Company

ORDER

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WELCH, Chairman; NUGENT and DIAMOND, Commissioners

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## **I. SUMMARY**

The Customer appeals the decision of the Consumer Assistance Division (CAD) that Central Maine Power Company's (CMP) change of the Customer's service classification from SGS (Small General Service) to MGS (Medium General Service) did not violate CMP's tariff or Commission rules. Finding no violation of CMP's rate schedules or Commission rules, we affirm the CAD decision. We conclude, however, that the provision of more information to customers will allow customers to make more informed decisions about electricity usage. Therefore, we direct Commission Staff (Staff) to explore with CMP ways in which CMP could provide more information to the SGS customer both at the time of service and on the customer's bills. In addition, we hold CMP to its representation that it will, in the future, provide notice of rate classification changes to customers. Thus, we require CMP to file a proposed notification letter within 30 days of the date of this Order.

## **II. BACKGROUND**

On November 27, 2000, the Customer filed a complaint at the CAD involving CMP's transfer of the customer, without notification, from SGS to MGS. CMP changed the service classification after the Customer's maximum monthly measured demand exceeded 20 kW for two months. The Customer complained to CMP about his bill which increased after his change to the MGS rate. CMP responded to the Customer's complaint by explaining the provision of its rate schedules requiring the change over to MGS service when a customer exceeds the demand ceiling. CMP did offer to enlist the customer in CMP's Easy Hours for Business Program (EHBP) which, it explained, could save the Customer money. The Customer agreed and CMP changed the Customer's meter and enrolled him in the program. Under the new program, the Customer's bill decreased, but the Customer still felt that the bill was too high.

The Customer does not dispute that his demand exceeded the CMP's demand ceiling for maintaining SGS service. He argues, however, that he should have been notified of this ceiling when he became an SGS customer. The Customer further argues that had he known of the ceiling, he could have installed timers to keep his demand under the ceiling. The Customer also argues that the bills do not state his total

kW draw, so that even if he had known of the ceiling, he would not have known whether he was at risk of exceeding it. The Customer requested that his first MGS bills be rebilled at the SGS rates.

The CAD concluded that neither the Commission rules nor CMP's tariff required CMP to notify the Customer of the demand ceiling for SGS and therefore denied the Customer's request.

### III. DISCUSSION AND DECISION

CMP's SGS rate sheet provides:

This rate is available for all general service purposes where the customer's demand has not exceeded 20 kW, subject to the following paragraph.

Any customer taking service under this rate whose maximum monthly measured demand exceeds 20kW twice in the preceding twelve months shall be *automatically* transferred to the applicable Medium General Service rate, *effective with the next succeeding billing month*.

CMP Electric Delivery Rate Schedule, page 140.00, Twenty Third Revision (emphasis added).

CMP's terms and conditions provide:

Where demands are reassessed or customers are found to be on an improper rate, as a result of an investigation, made at the customer's request or by routine inspection, the change of billing to the new demand, or to the proper rate, will become effective in the month during which the check is made.

Terms & Conditions § 18.3 Billing Changes.

These provisions do not require CMP to provide notice of the demand ceiling for SGS. In fact, they do not require any notice that the customer is to be transferred to the different rate. However, CMP does have a practice of notifying the customer of his or her transfer to the new rate classification. Apparently, the Rates and Revenues Department uses letters to notify customers that have been changed to a different rate, but the Commercial department does not. Because the customer's rate classification change was issued by the Commercial department, the customer did not receive notification that he was being changed to a new rate.

CMP, however, notified CAD that as of mid-March 2001, rate changes to all commercial accounts will be handled by the Rates & Revenue Department. CMP

further advised CAD that the Rates and Revenue Department is in the process of developing one letter that will notify customers in advance (of the next bill) of rate classification changes. CMP also advised CAD that the customer has to stay on the MGS rate for 12 months unless he can show a significant decrease in usage.

We require CMP to develop this notification letter and file it at the Commission within 30 days of the date of this Order. CMP's discrepancies in its practice of issuing notice of a rate classification change, however, should not result in the relief requested by the customer. While notification of an impending change is a better practice, we conclude that the notice would not have changed the result in this case, i.e., the customer's automatic change to the MGS rate. If the Customer's usage decreases significantly, he may inquire about being changed back to SGS as advised by CMP.

We also conclude that Chapter 86 of the Commission's rules does not require CMP to discuss the demand ceiling for SGS service. Because neither the Commission's rules nor CMP's rate schedules require CMP to tell a customer at the time of signing up for service, that a certain demand level will result in a rate change, we conclude that the CAD properly denied the Customer's complaint. However, we direct staff to work with CMP to determine the viability of CMP's providing such explanations to its new SGS customers. We direct CMP to file a report within 30 days outlining possible ways to provide SGS customers with more information on this matter.

The Customer also raises a concern about whether the information provided on the SGS bill is sufficient to apprise the customer that his or her demand is approaching the ceiling for the SGS rate. Again, however, neither CMP's rate schedules or terms and conditions require such information to be provided on the SGS bill. We also find no such requirement in Chapter 86 of the Commission's rules. Therefore, there is no basis on which to reject the CAD decision. Nevertheless, we are sympathetic to the customer's concern. In general, the provision of more information will allow customers to make more informed decisions.

We direct the Staff to work with CMP to determine the feasibility of adding the SGS customer's demand to the customer's monthly bill or notifying the customer when the customer's demand is approaching the demand ceiling. We direct CMP to file a report within 30 days of the date of this Order discussing these or other options for providing such notice.

For the above reasons, we affirm the CAD's decision and dismiss the Customer's appeal. We direct CMP and Staff to take the steps outlined in the body of this Order.

Dated at Augusta, Maine, this 1<sup>st</sup> day of June, 2001.

BY ORDER OF THE COMMISSION

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Dennis L. Keschl  
Administrative Director

COMMISSIONERS VOTING FOR:      Welch  
   Nugent  
   Diamond

## NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Civil Procedure, Rule 73, et seq.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.